

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:)	
)	
NATIONAL FORGE COMPANY, <i>et al.</i>)	
)	
Debtor.)	
)	
OFFICIAL COMMITTEE OF)	
UNSECURED CREDITORS OF)	
NATIONAL FORGE COMPANY,)	
)	
Plaintiff)	
)	
And)	
)	
OFFICIAL COMMITTEE OF RETIREES)	
OF NATIONAL FORGE COMPANY,)	
)	
Intervenors)	
)	C.A. No. 04-21 ERIE
v.)	
)	
E. ROGER CLARK, <i>et al.</i>)	
)	
Defendants)	

MOTION TO STAY PROSECUTION OF COUNT VIII OF THE COMPLAINT
PENDING RESOLUTION OF APPEAL

AND NOW, comes the Official Committee of Unsecured Creditors of National Forge Company (the "Plaintiff"), by and through its undersigned counsel, and hereby file this Motion To Stay Count VIII of the Complaint Pending Resolution of Appeal, and in support thereof states as follows:

1. On June 9, 2006, this Court entered an Order granting Summary Judgment as to Counts I through VII of the Plaintiff's Eight Count Complaint in favor of all Defendants and granting Summary Judgment as to Count VIII of the Complaint in favor of all Defendants except

E. Roger Clark, Maurice J. Cashman, Dana Beyeler, Robert A. Kaemmerer and Ashtok Khare (referred to hereinafter as the “June 9th Order”).

2. As a result of the entry of the June 9th Order, the only remaining Count of the Plaintiff’s Complaint (Count VIII) asserts claims against the remaining Defendants for Breach of Fiduciary Duty and arises out of the same set of facts and circumstances as those plead in Counts I through VIII.

3. The basis of this Court’s decision to grant summary judgment on Count I, II, III and VII rests under this Court’s conclusion that the transfer at issue was an “integrated” transaction and that the “safe harbor” provisions of Section 546(e) of the Bankruptcy Code barred the claims asserted by the Plaintiff in said Counts. *See* 11 U.S.C. §546(e).

4. On July 5, 2006, the Plaintiff filed a Motion Under F.R.C.P. No. 54 to Have The District Court’s Order of Judgment Dated June 9, 2006 Determined to be a Final Order And Subject To Immediate Appeal (the “Rule 54 Motion”).

5. By Order of dated July 6, 2006, this Court granted the Plaintiff’s Rule 54 Motion (the July 6th Order”).

6. On July 12, 2006, the Plaintiff filed a Notice of Appeal with respect to this Court’s June 9th and July 6th Orders (the “Appeal”).

7. The Plaintiff now seeks an order from this Court which will stay the prosecution of Count VIII pending resolution of the Appeal.

8. The Plaintiff asserts that granting a stay will promote the efficient judicial administration of this matter such that it will avoid the potential for periods of duplicative discovery and two (2) trials on the same set of facts and circumstances and will avoid the time and expense associated thereto.

9. The Plaintiff submits that it is prudent and reasonable to stay the proceedings under Count VIII of the Complaint until such time as the Appeal is resolved.

WHEREFORE, the Plaintiff requests that this Court enter an Order staying the proceedings under Count VIII of the Complaint until resolution of the Appeal.

Respectfully submitted,

/s/ John M. Steiner

John M. Steiner, Esq.

PA ID No. 79390

525 William Penn Place, 30th Floor

Pittsburgh, PA 15219

(412) 261-1600

Counsel for Plaintiff